

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Division Director

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August 20, 2003

Sandy Nell 13171 South 3300 West Riverton, Utah 84065

Subject: Acceptance of Notice of Intention to Commence Small Mining Operations, Sandy Nell, Runaway Mine, S/041/034, Sevier County, Utah

Dear Mr. Nell:

Thank you for your Notice of Intention to Commence Small Mining Operations and initial \$150.00 permit application fee, received by the Division on July 18, 2003. The proposed Runaway small mine project is located in the SW1/4 NW1/4 of Section 23, T26S R4W, SLBM, Sevier County, Utah. Before we could grant acceptance of the notice, we were required to forward a copy of your notice to the Utah Division of State History Preservation Officer (SHPO) to assure that no historical or archaeological properties were in the area of the proposed operation. On August 8, 2003, we received word from SHPO that no survey has been conducted, but based on the location and number of historic mines, SHPO recommends a survey be completed.

Thank you for accompanying the Division and BLM personnel on a visit to this proposed site on August 6, 2003. The attached memo outlines the discrepancy between your notice with this Division and the notice you submitted to the BLM. The drilling plan discussed on site will be considered part of your small mining notice. You will not need to file an exploration notice for the drilling.

The Division finds your application complete and no additional information is required by this office at this time. You may commence with your mining operations as outlined, provided you have satisfied and received written acceptance from the Bureau of Land Management. You will also need to have the archaeological survey completed to meet State History requirements. Please send us a copy of your approvals from these two offices when they are obtained.

In accordance with the requirements of Rule R647-3-105, regarding the project location and disturbed area identification on a topographic map, the Division also requires the operator mark the proposed/actual disturbed area boundary (including access/haul roads) in the field



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with metal T-Posts (or other suitable, fixed markers) to assure that operations do not exceed the five acre limitation of this permit. Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

The acceptance of this notice is for a small mining operation only, not to exceed five acres. Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 2002, and annually thereafter, the fees were increased to \$150.00 for small mining notices.

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMOsummary). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Lynn Kunzler, Senior Reclamation Biologist

Division of Oil, Gas and Mining

LK/jb

Enclosure: SMO summary

Michael Jackson, BLM, Richfield FO (UTU-79909) O:\M041-Sevier\S0410034-Runaway\final\apv-08202003.doc